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## I. INTRODUCTION

The Gallatin Canyon/Big Sky Planning and Zoning District will be developed under the District Plan guidelines, Land Use Map, and District Zoning Regulation as recommended by the Gallatin Canyon/Big Sky Planning and Zoning Commission and adopted by the Board of County Commissioners. In addition, the mitigation of development impacts will be guided by this document-- the Capital Improvements Policy (CIP).

The CIP is an important component of the overall District "comprehensive plan" since it helps implement the policy direction contained in the Plan. It describes the intent of the County to address the effects of new development on the environment by incorporation of appropriate measures to help mitigate any undesired, negative effects.

The CIP applies to all development within the boundaries of the Gallatin Canyon/Big Sky Planning and Zoning District as defined in the Plan. It defines policy for the protection of water quality, provision of necessary public services and facilities to assure public health and safety.

Accordingly, the Plan, the Land Use Map, the Zoning Regulation and the CIP all share a common intent and direction. The content of these documents, while obviously different in textual format, is consistent in policy and purpose.

The CIP is intended to facilitate desired growth of the District, and protect and enhance the environmental qualities which are such an essential part of the Gallatin Canyon/Big Sky Plan.

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## II. ROLE OF THE CIP

The Capital Improvements Policy (CIP) is an implementation “tool”. It serves to describe the intent of the County to assure that all impacts resulting from new development within the District are considered in the review process, and that appropriate mitigation measures are undertaken to lessen or avoid the undesired, negative impacts. It is a “policy” document which serves to define “**how**” the Gallatin Canyon/Big Sky Plan will be achieved.

The relationship of the CIP to the Plan can be described as follows: the Plan illustrates “**what**” is proposed-- the comprehensive plan goals and strategies contained in the Plan provide guidelines for the desired future of the District. Individual goals for Public Health and Safety, Appearance and Atmosphere, Quality of Life, Economy, and Transportation and Trails are spelled out specifically.

The Plan also contains the Land Use Map which graphically illustrates the location and relationship of various land use classifications throughout the District. These classifications include Commercial/Office, Natural Resource/Open, Low Density, Residential, Light Industrial, Institutional, and Density Transfer. As such, the Land Use Map describes “**where**” kinds of development should occur.

The Zoning Regulation defines the standards for development within the District by establishing more specific and detailed requirements within each land use category-- density and characteristics of land use, building heights, onsite parking requirements, et al.

Because feasibility of development is strongly affected by the cost of required improvements, the substance of the CIP is significant. Therefore, this policy document is perhaps the most critical element of the planning process for the future of the Gallatin Canyon/Big Sky Planning and Zoning District. Its ability to accommodate desired growth and development with provision of adequate infrastructure to provide needed public services and protect public health and safety will largely determine the achievement of the plan.

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### III. DEVELOPMENT POTENTIAL

The need for future capital improvements is dependent upon the growth and development of the District. As a means of estimating such need, it is useful to describe the amount of development likely to occur. Future growth is obviously tied to a system of economic conditions which go beyond the control of District property owners and/or Gallatin County. Accordingly, potential growth is sometimes estimated by assumed levels or scenarios which together make up the range of reasonably probable future development. One can therefore describe "Low", "Medium": and "High Scenarios".

In September of 1993, the consulting team of Peter Jamar Associates, Inc. and Robert Peccia Associates, Inc. completed a "Capital Improvement Plan" for the Gallatin Canyon/Big Sky Planning and Zoning District. This document, which was contracted by the Gallatin County Commission, contained four major elements:

- 1) Identification of "future development scenarios for the Planning and Zoning District";
- 2) "A general Identification of how future development may influence infrastructure elements";
- 3) Description of "improvements that may be necessary to serve future development"; and
- 4) "Recommendations on how to establish mechanisms to implement necessary improvements".

(This document, the Capital Improvements Policy, utilizes much of the information found in the 1993 Plan as the basis for update and analysis).

The description of development scenarios was based upon the District Plan land use categories. The methodology included two factors:

- 1) Existing development within each of the major land use categories was determined. Acreage of existing subdivisions, unit density, and amount of development was calculated.
- 2) The amount of undeveloped land was then quantified against three different levels of assumed development to produce "Low", "Medium", and "High" scenarios.

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The definition of levels of development in each scenario was based upon the density ranges contained in the Draft Land Use Plan and Zoning Regulation. Therefore, the potential for development in each land use category was calculated based upon the total of all existing and potential units which could be developed in existing subdivisions, plus the assumed scenario levels.

The value of such scenarios is that they allow a reasonable, yet flexible approach to definition of potential development impacts. They also facilitate a definition of the related requirements for infrastructure-- water supply and distribution, wastewater collection and treatment, roads, fire and police protection, transportation, schools and affordable housing-- all elements of infrastructure as addressed by the Gallatin Canyon/Big Sky Advisory Committee.

The 1993 "Capital Improvements Plan" did not attempt to define a plan for infrastructure improvements to meet new development needs. The Plan narrative dealt with elements 2 through 4 as described on the preceding page of this document. However, the content of the Plan does provide a useful foundation for definition of policy at this time. The County can utilize the scenario descriptions and the related suggestions concerning potential improvements and recommendations for implementation of such improvements. This valuable information can support adoption of a viable policy concerning provision of needed capital improvements.

#### **A. Alternative Development Scenarios:**

As defined by the 1993 Plan, the scenarios for residential and commercial development are:

<u>Scenario:</u>	<u>Total Potential Residential:</u>	<u>Total Potential Commercial Development:</u>
Low	4,471 units	335,000 sq. ft.
Medium	5,755 units	431,000 sq. ft.
High	8,720 units	654,000 sq. ft.

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## B. Design Population:

The associated population as projected for each scenario is based upon assumptions of persons per unit and occupancy percentage.

The Advisory Committee used results of a community survey to determine the average number of persons per units as 2.7, and the average annual occupancy of all “non-permanent” unit as 37.5%. Based on these assumptions, a “Design Population” for the District was established, and is used to project the need for infrastructure improvements as shown below:

<u>Scenario:</u>	<u>Population of Permanently Occupied Units:</u>	<u>Population of Other Units (@ 37.5%):</u>	<u>Design Population:</u>
Low	3,499	3,171	6,670
Medium	4,557	4,062	8,619
High	6,825	6,185	13,010

The 1993 Plan estimated the 1993 “permanent population” at 580, based upon the following factors:

Total dwelling units:	742
Permanent Occupancy @ 29%:	215
People/Unit:	2.7
<hr/> (Table 1-1, p.5)	

Building permits for dwelling units for the Big Sky area, as reported in the 1996 Long-Term Work Plan, include:

<u>Year:</u>	<u>Permits Issued:</u>	<u>Year:</u>	<u>Permits Issued:</u>
1985	(Existing= 1,263)	1991	26
1986	25	1992	49
1987	28	<hr/>	
1988	10	Total permits:	1,535
1989	110		
1990	24		

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## IV. PROJECTED DEVELOPMENT IMPACTS

The following section utilizes the 1993 Plan scenario descriptions to define existing and potential development levels. The three different scenarios (“Low”, “Medium”, and “High”) are analyzed with respect to each of six infrastructure elements: Wastewater Treatment, Water, Transportation, Fire and Police, Schools, and Affordable Housing. The result is a determination of potential impacts of assumed development, which can be used to help project infrastructure improvements appropriate for mitigation.

### A. Wastewater Treatment:

#### Existing Conditions:

The existing wastewater treatment and collection system provided by Big Sky County Water and Sewer District 363 (which assumed the responsibilities of RID 305 on February 16, 1994) includes only Hidden Village, Westfork Meadows, Lone Mountain Ranch, Meadow Village and Sweetgrass Hills at present. The remainder of the Gallatin Canyon/Big Sky Planning and Zoning District is not served by a wastewater treatment provider. Sewage disposal is accomplished by individual septic systems.

The system currently serves approximately 1,929 “single-family equivalents” (SFEs), according to the Long Term Compliance Work Plan submitted to the Department of Environmental Quality on January 2, 1996. However, more recent information from the District General manager indicates that service is provided to 2,238 SFEs, including billing for approximately 140 SFEs for undeveloped property.

This service level can be compared to the projected design population levels previously discussed. For example, 2,098 current developed property SFEs are approximately 47% of the “Low” residential development scenario.

The current treatment system includes an 8.2 million gallon (MG) lined aerated pond and two unlined ponds which are used to store treated water during the non-irrigation season. During the summer, water from the ponds is used to irrigate the golf course.

These ponds have a total capacity of about 41 MG. District engineers state that with current sewage flow rates, about 62 MG of storage is necessary, and that *“approximately 47 to 60 million gallons per year seep out of the storage pond and into the groundwater”*.

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On July 13, 1993, the Montana Department of Health and Environmental Sciences issued a Compliance Order to the Water and Sewer District to submit an "Interim Action Work Plan" and a "Long-Term Compliance Work Plan", to upgrade existing treatment facilities and plan additional improvements to meet state water quality standards and provide additional capacity for existing and future development. The 1993 Compliance Order set a moratorium on new connections to the sewer system and thereby effectively stopped new development.

The Interim Action Work Plan, submitted to the Department of Environmental Quality (DEQ) on November 1, 1995, includes the following:

1. Wastewater filtration system;
2. Expansion of the golf course irrigation system;
3. Expansion of the irrigation pump station;
4. Enlargement of the storage ponds to 100 MG of capacity; and
5. Installation of a temporary irrigation system on additional land south of the existing golf course.

Items 1 through 4 are parts of the Long-Term Work Plan improvements which are estimated to cost \$ 17,481,000. (The Interim Action Plan costs, which are essentially all included in the Long-Term Work Plan, are listed as \$ 6,580,000).

The preferred Long-Term Work Plan proposes the following sewage disposal methods:

1. Spray irrigation of about 143 MG/year on the existing golf course;
2. Discharge of about 41 MG/year into the Gallatin River; and
3. Pumping of approximately 33 MG/year to the mountain for snowmaking.

On June 4, 1996, the Water and Sewer District's bond issue was approved; and construction work is planned to begin this summer .

New connections to the Sewer and Water District's system may occur when:

1. DEQ has issued written approval of all required plans for the Interim Action Plan improvements;
2. The District has awarded construction contracts for all interim improvements; and
3. The District has finalized financing for all interim improvements.

Although the DEQ moratorium will terminate at this point, the Water and Sewer District's moratorium on sewer hookups will still be in effect until further action by the District. The District assumes that financing and contracting for the Interim



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Action Work Plan improvements will allow easing of the sewer hookup moratorium during the summer of 1996.

Projected Demands:

As shown in the following table (Table 3.0-1, Long-Term Compliance Work Plan), the Water and Sewer District has legal commitments to provide wastewater treatment capacity for approximately 6,583 SFEs at this time, which represents an addition of about 4,654 SFEs to the existing connections. The design population for the "Low" scenario was defined as 6,670 persons. At a density factor of 2.7/dwelling units, this translates to 2,470 units.

Accordingly, the existing and committed SFE capacity would be approximately 147 % of the "Low" residential scenario and 75 % of the "High" scenario.

The Long-Term Work Plan states that the 20-year design criteria, based upon expected sewage flow in the design period, will provide treatment capacity for 5,399 SFEs which is expected to accommodate demand within this planning period. However, the Sewer and Water District is legally obligated to provide capacity for 6,583 SFEs-- in excess of the expected 20-year design. Therefore, the Long-Term Work Plan includes improvements for the additional storage, treatment and disposal requirements.

**Projected Single-Family Equivalents (SFEs)**

<u>Year:</u>	<u>SFE:</u>	<u>Year:</u>	<u>SFE:</u>
1996	2,044	2010	4,017
1997	2,167	2015	4,657
1998	2,332	<b>2020*</b>	<b>5,398*</b>
1999	2,902	2025	6,258
2000	2,989	2030	7,255
2005	3,465	2035	8,411

\* Design year and SFE capacity

(Note: SFEs have been rounded to nearest whole number):

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chart insertion

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chart insertion

Another way to determine treatment capacity involves the per capita allocation of Biological Oxygen Demand (BOD) loading as applied to annual projected wastewater flow. The following table (provided by the Big Sky Sewer & Water District) shows the total SFEs served under each treatment plan, and the projected population:

Flow (MG)	Average BOD Loading (Mg/L)	Flow Per Year (Million Gallons)	Flow Per Day (Million Gallons)	BOD Loading <sup>1</sup> Lbs./Day	Per Capita Projections <sup>2</sup>	Total SFE's
1995 Flow	280 Mg/L	92.7 MG	.250 MG	584	3,435	2,238
Interim Action Work Plan	280 Mg/L	122.7 MG	.336 MG	785	4,618	2,930
Long Term Work Plan	280 Mg/L	208 MG	.570 MG	1,331	7,829	5,399
<sup>1</sup> Calculation: MG Flow/Day x Average BOD mg/l x 8.34 = Total Pounds of BOD loading per day.						
<sup>2</sup> Calculation based on industry standard of .17 Lbs. of BOD loading per capita per day.						

The District notes that the “full buildout” capacity of the Sewer & Water District is 6,440 SFEs. *“The Interim Action Work Plan and Long Term Compliance Plans, as currently proposed, do not provide enough capacity to reach full build.”*

Finally, it must be recognized that several properties in the District are served by private on-site sewage disposal systems, and that future development could also use such systems. Therefore, the true relationship between District wastewater treatment capacity and future development buildout will be subject to interpretation and adjustment.

## B. Water Supply/Quality:

### Existing Conditions:

The critical feature involving water use and water quality in the District is the Gallatin River. The Middle Fork of the West Fork of the Gallatin River runs directly north of the wastewater treatment site. The South Fork of the Gallatin River runs on the south side of the site. Both streams converge downstream, of Big Sky and flow into the West Gallatin River.

Previous studies of water quality are reported in the Long-Term Compliance Work Plan. A recent news article states that testing by the DEQ in August, 1995, determined nitrogen pollution of the South Fork and Middle Fork. According to these reports: *“Data collected to date indicate that streams in the Big Sky area*

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*are extremely sensitive to additions of nitrogen that are likely to accompany development” (Bozeman Chronicle, 1/29/96).*

Projected Demands:

Estimated future demand for water was based upon national standards for water consumption and local water use patterns (average 150 gals. per day per person for residential uses). The estimated total residential water consumption was based on the Design Population. Commercial water demand was estimated according to sewer flow calculations.

Estimated Water Demand:

<u>Scenario:</u>	<u>Design Population:</u>	<u>Water Demand:</u>	<u>Commercial Development:</u>	<u>Total Demand:</u>
Low	6,670	1,000,000	335,000 sq. ft.	1,185,000
Medium	8,619	1,292,000	431,000 sq. ft.	1,529,000
High	13,010	1,951,000	654,000 sq. ft.	2,312,000

Note: These figures do not include water storage necessary for fire protection.

**C. Transportation:**

Existing Conditions:

This description of transportation conditions is focused on major roadways within the Planning and Zoning District. (Figures and most of the text are taken from the 1993 Plan).

The District is accessed from Bozeman (43 miles to the north) and from West Yellowstone (48 miles to the south) by a single major regional two-lane route-- U.S. Highway 191. This road is classified as a “Principal Arterial” by the Montana Department of Transportation (MDT). Interstate 90 can be accessed at Bozeman, or by taking Montana Highway 86 at the Four Corners junction with U.S. 191 and traveling eight miles north to the I-90 interchange at Belgrade.

Montana Highway 64 is also a two-pane road which extends about nine miles from U.S. Highway 191 westerly to the Mountain Village at Big Sky where it terminates. It is classified by MDT as a “Major Collector”.

Figure 4.1 describes the major and minor road system:

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Major roads within the District include:

1. U.S. Highway 191 (typical paved surface width of 28 feet, with two 12-foot driving lanes and two foot shoulders);
2. Montana Highway 64 (typical paved surface width of 30 feet, with two 12-foot driving lanes and three foot shoulders); and
3. Little Coyote Road (typical width of 26 feet--lacks pavement markings).

Minor roads are defined as those which intersect with the major roads. All but two of these roads have paved surfaces ranging from 18 to 24 feet in width.

The only traffic control signals are located at the intersection of U.S. 191 and Hwy. 64.

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Figure 4.2 illustrates turning movements and MDT traffic counter locations:

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MDT maintains two permanent automatic traffic counters within the District. One counter, Station A-43, is located on U.S. 191 about one and one half miles north of Highway 64. The other, Station A-64, is located on Hwy.64 approximately one mile west of U.S. 191. Other permanent traffic counters are maintained on U.S. 191 and 287 near West Yellowstone.

Recent traffic count data supplied by MDT show continuing increases:

	<u>1994 ADT:</u>	<u>1995 ADT:</u>	<u>Increase:</u>
Station A-43:	2,304	2,709	5.2 %
Station A-64:	2,869	3,382	10.5 %

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### Projected Demands:

Future traffic volumes are expected to increase based upon growth of residential and commercial development in the District. The 1993 Plan analyzed projected traffic loads versus roadway capacity to describe the projected level of service. The traffic volume data and projections used were representative of average daily traffic. Seasonal and peak variations were considered. Residential trip generation was estimated at 3.6 trips per day per dwelling unit. This rate is significantly lower than the typical residential rate of seven to ten trips per unit as normally utilized in most urban/suburban traffic analyses.

Projected base (non-Big Sky) traffic levels for U.S. 191 were estimated. For this highway portion north of the intersection with Hwy 64, it was estimated that future volume (without added growth at Big Sky) would reach 4,000 vehicles per day (VPD) by the year 2010.

Accordingly, the projected levels of service for the three growth scenarios were described as follows:

*Low Growth Scenario: "Traffic volumes on Hwy. 64 between U.S. 191 and Andesite Road will increase ... to about 10,000 VPD and will operate at LOS (Level of Service) E as a result of the increased traffic. All of the intersections along this corridor will also operate at LOS D/E."*

*"Hwy. 64 from Andesite Road to the ski area ...volume will increase to between 3,600 VPD to 7,500 VPD. With these projected volumes this section of Hwy. 64 will operate at LOS E while the intersections along this portion of the road will operate at LOS D/E."*

*"U.S. 191 will experience a volume increase to about 6,200 VPD and operate at LOS D. Traffic on 191 through the commercial area located within a mile and a half south of the Hwy 64 intersection will increase significantly to about 15,750 VPD and operate at LOS F."*

*"Traffic volumes on 191 north of the commercial development will result in LOS E on the road section that extends through the Gallatin Canyon. **A projection of historical traffic data compiled by MDT indicates that the LOS on this section of 191 would most likely degrade to LOS D without any significant changes in the development pattern of the Big Sky area.**" (Emphasis added)*

It is therefore important to note that projected traffic increases on the major highway serving Big Sky are independent of additional traffic generated by Big Sky development. This exacerbates the total impact caused by development.



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Medium Growth Scenario: *“Hwy 64 between U.S. 191 and the ski area will operate at LOS E. All of the major intersections along this corridor will also operate at LOS E.”*

*“U.S. 191 will operate at LOS E along the commercial corridor that extends for about half a mile to the north of Hwy 64. It will provide LOS F through the commercial area located within a mile and a half south of the Hwy. 64 intersection. Traffic volumes outside of the commercial areas on U.S. 191 to the south will produce LOS C/D Traffic volumes on 191 north through the Gallatin Canyon will result in LOS E.”*

High Growth: *“The traffic volumes generated in the high growth scenario will result in LOS E/F on Hwy 64 from the intersection with U.S. 191 and the ski resort. All of the major intersections along this road will operate at LOS E.”*

*“U.S. 191 will operate at LOS E through the commercial corridor that extends for about half a mile to the north of Hwy 64. It will provide LOS F through the commercial area located within a mile and a half south of the Hwy 64 intersection. U.S. 191 to the south of the commercial area will operate at LOS C/D. U.S. 191 north through the Gallatin Canyon will operate at LOS E.”*

The 1993 Plan also suggests improvements *“required to serve potential development”*. These consist of added paved lanes (at a cost of *“about \$500,000 per lane-mile”*), traffic signals (*“about \$ 80,000 per intersection”*), and geometric modifications (varying costs).

The major traffic impacts conclusion of the 1993 Plan is:

*“In order to provide an acceptable LOS it will be necessary to widen the roadway to at least three and more likely four travel lanes. This type of change will create significant environmental issues that will have to be resolved through the Environmental Impact Statement (EIS) process. This is true for all three growth scenarios.”*

LOS, Level of Service, is a measure describing the operational conditions for a roadway, and how such conditions are perceived by motorists. It is measured on six levels, A through F, with A the best, and F the worst. Ratings of LOS C or better, generally indicate acceptable traffic flow conditions.

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## **D. Fire and Police Protection:**

### Existing Fire Protection Conditions:

Fire protection in the Gallatin Canyon/Big Sky Planning and Zoning District is provided by the Gallatin Canyon Rural Fire District. A volunteer system involves approximately two dozen persons, with one full-time paid firefighter/EMT position.

The Fire District operates a three-bay fire station at Westfork Meadows, which houses fire apparatus.

The Five-Year Plan for the Fire District (adopted a few years ago) includes the addition to the main fire station, an Advanced Life Support Ambulance (purchased), and plans for a second fire station in the Mountain Village area.

The plans for this new station include a 100 GPM pumper, an 1,800 gallon water tender, a "wildland fire unit", and a 75-foot ladder truck.

### Projected Fire Protection Demands:

The Fire District responded to an average of 90 calls per year in 1993, including the Mountain Village area. This response was estimated as 45 calls per 1,000 people.

This rate of response would involve the following projections for fire service based on the various growth scenarios:

Low Growth:	297 calls;
Medium Growth:	387 calls; and
High Growth:	585 calls

### Existing Police Protection Conditions:

Police protection within the Planning and Zoning District is provided by the Gallatin County Sheriff's Department, supervised from the West Yellowstone substation. In 1993, there were three deputies living and working in the Big Sky area.

In 1992, it was reported that the Sheriff's Department responded to 396 complaints and made 34 arrests.

### Projected Police Protection Demands:

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The 1993 Plan stated that current planning standards for future police protection should be based upon a ratio of 2.7 officers for every 1,000 inhabitants. At that time, the estimated population (as adjusted) for the Big Sky area was 2,000. Therefore, a projected need for 5.4 officers was identified. Such a level of police protection would have allowed for 24-hour staffing.

The 1990 Census indicated the population for unincorporated Gallatin County was about 27,000 people. The average officer/population for the Mountain Region in this group was 1.5 officers per 1,000 people. More recent Census figures (1994) state this unincorporated population is about the same.

Using this factor, projections for the various growth scenarios indicate the following need for police protection:

Low Growth:	10 officers;
Medium Growth:	13 officers; and
High Growth:	20 officers

#### **E. Schools:**

##### Existing Conditions:

The Ophir School District serves the Gallatin Canyon/Big Sky Planning and Zoning District for kindergarten through eighth grade students. Bozeman High School serves high school students.

Ophir School has a service capacity of 100 students. Current student load is reported as 97 for the 1995/96 school year. Enrollment figures show that since 1989/90, the school has experienced a 56 percent growth or an average annual increase of 9.4 percent.

##### Projected Demands:

Using 1993 assumptions as to ratio of students per occupied dwelling units (0.41), the projections for future school population are as follows:

<u>Development Scenario:</u>	<u>Potential Dwelling Units:</u>	<u>Permanent Occupied</u>	<u>Estimated Students:</u>
Low Growth	4,471	1,296	531
Medium Growth	5,755	1,688	692
High Growth	8,720	2,528	1,036

Given the near capacity student population, future development within the District will require expansion of the existing school facility or construction of a new school. Under the preceding assumptions about growth impacts, the Ophir

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School capacity requires expansion for at least 500 students during the planning period.

## **F. Affordable Housing:**

### Existing Conditions:

“Affordable housing” within the Gallatin Canyon/Big Sky Planning and Zoning District involves three categories:

1. Affordable seasonal housing for temporary employees;
2. Affordable longer-term rental housing for full-time employees; and
3. Affordable entry-level ownership housing for employees.

Such housing is a key component of an economically healthy community.

At present, there is limited housing made available by large employers to their employees.

### Projected Demands:

The obvious need for affordable housing can be estimated based upon assumed development levels. The 1993 Plan contains projections based upon commercial development. At 335,000 sq. ft. of new commercial development, and a factor of 4.36 employees per 1,000 sq. ft.; it was estimated that 1,460 employees could be generated by the low development scenario.

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## V. CONCURRENCY POLICY

As with other environmentally-sensitive areas, Gallatin Canyon/Big Sky faces the challenge of growth in a rational way-- where desired development can occur within the framework of needed capital facilities to provide adequate roads, sewage treatment, water supply, fire and safety protection, etc.. The requirements for public health and safety are basic. Other factors which could affect capital improvements planning may include open space/trails, protection of significant habitat areas, and others as defined by local residents.

Review of the various projected development impacts, as described in this document, supports two main conclusions:

1. The potential and probable growth of the Gallatin Canyon/Big Sky District is significant in terms of environmental impacts and demands for adequate mitigation; and
2. Definition of future levels of population or dwelling units is extremely difficult, given the wide variety of factors; such as occupancy types, seasonal peak loading, etc..

These conclusions affect the way in which Gallatin County must select a policy for capital improvements planning and programming.

Local government has basically three choices to deal with growth impacts:

1. Build or require the construction of new infrastructure (roads, treatment plants, etc.) to provide needed services;
2. Adjust land use plans to lower the density of intensity of development to keep service demands within available capacity; or
3. Accept a lower level of service as existing facilities become "loaded" and/or "stretched" by additional demands for service.

**These choices may be described as *"Raising the bridge, lowering the water, or watching the river become polluted"*.**

The first choice requires a precise determination of capacity needed to serve a selected level of development. It requires careful calculation and design of required improvements, the definition of financing, and the programing and scheduling of construction.

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The second choice requires establishment of limits or caps on potential development to make the resultant impacts “fit” within the capacity of available infrastructure.

The result of the third choice is a long-term failure to keep up with infrastructure needs which leads inevitably to decline in both economic and environmental terms. This is clearly not acceptable to Gallatin Canyon/Big Sky residents or to the Gallatin County Commission.

Accordingly, the policy selected for the Gallatin Canyon/Big Sky District must combine the first two choices to meet the goals of the Plan.

### **A. Options for Capital Improvements**

With this policy approach selected, there are optional ways to plan capital improvements:

1. Typical Capital Improvements Program: A program of specific physical projects for construction of roads, sewage treatment, water supply, fire and safety facilities, etc.; **defined, budgeted and scheduled** for construction (generally in advance of projected development needs).
2. Impact fees: Definition of appropriate fees necessary to offset cost of improvements needed by new development; paid incrementally and accumulated over time to pay for new facilities. Such fees can be incorporated into other means of CIP; however, impact fees cannot be used to address existing deficiencies nor meet existing needs.)
3. Assessment districts: Currently used for provisions of sewage treatment, special districts can be established for various public infrastructure purposes, including roads, public transit, open space, etc.
4. Concurrency of capital facilities/improvements with new development: A concept of “pay as you grow” which requires that all necessary infrastructure be “in place” concurrent with the impacts and demands of desired development; it allows flexibility in definition, financing and construction of capital facilities; and lets the developer proposed infrastructure improvements consistent with the overall Plan.

### **B. Rationale for Concurrency:**

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Of these four basic options, concurrency is selected as the most feasible for the Gallatin Canyon/Big Sky Planning and Zoning District. This option, simply stated, is that all infrastructure (public facilities and services) needed to accommodate the impact of new development shall be provided and be available at the time those impacts occur.

It provides the greatest flexibility to adapt to new circumstances and new technical "solutions". It also places the responsibility for definition and implementation of capital improvements with those who propose development and resultant impacts. There is a direct nexus between development impact and development mitigation.

### **C. Implementation:**

The Capital Improvements Policy (CIP) of concurrency applies to four infrastructure services: roads, sanitary sewer, potable water, and fire and police protection. Essentially, the CIP requires that:

**1. All applications for a land use permit (under provisions of the Gallatin Canyon/Big Sky Zoning Regulation) shall be evaluated for impacts on infrastructure: county roads; sanitary sewer/treatment facilities; water supply/distribution; and fire and police protection. All projected impacts will be submitted for review to the appropriate service provider or special district, which shall confirm the projected impacts of the proposed development, the existing level of service and the availability of capacity to serve the development.**

**2. No land use permits shall be issued for new development which would create unmitigated impacts in these four categories of infrastructure, until additional infrastructure improvements as necessary to avoid or mitigate impacts are in place or secured by appropriate financing, including any adopted impact fees, as approved by the Gallatin County Board of Commissioners.**

**3. Completion of required infrastructure requirements needed to serve proposed development may be phased in conjunction with the appropriate phasing of proposed development.**

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